# GOVERNMENT OF INDIA
# HEALTH AND FAMILY WELFARE
# LOK SABHA

UNSTARRED QUESTION NO:322
ANSWERED ON:26.07.2006
REFORMING PROCUREMENT SYSTEM
Saradgi Shri Iqbal Ahmed

**Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:**

(a) whether the Government has taken any decision to reform the Ministries/procurement system by centralizing the process under an empowered group;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government is also planning to upgrade logistics of medicines and other health-related drugs and equipment to match international requirements; and

(d) if so, the major steps taken/being taken in this regard?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH & FAMILY WELFARE (SMT. PANABAKA LAKSHMI)

(a) Yes Sir.

(b) During the negotiations with the World Bank for Reproductive and Child Health (RCH − II) programme a governance and Accountability Action Plan (GAAP) was agreed to. The GAAP addresses the weaknesses in our procurement system. One of the important features of the GAAP is Setting up of a Central Procurement Unit in the Department of Health & Family Welfare. Accordingly, Empowered Procurement Wing (EPW) was established in the Department in order to consolidate, streamline, and strengthen the procurement activity and to professionalize the procurement of health sector goods.

(c) & (d ) Under EPW, department of Health and Family Welfare has engaged the services of a consultant organization to strengthen the procurement system. One of the TORs of the Consultant Organization is to assist EPW in strengthening the system of logistics and supply chain management for proper storage and timely availability of drugs to the end users. The existing system of storage, logistics, supply management and transportation which is being studied in selected states to identify the weakness/ shortcoming and to take necessary remedial measures.